

**State of Alaska
FY2004 Governor's Operating Budget**

**Department of Labor and Workforce Development
Data Processing
Component Budget Summary**

Component: Data Processing

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Component Mission

Provide data processing support and services to all department programs and to the Alaska Job Center Network.

Component Services Provided

- Data processing operations long-term planning.
- Technology assessment.
- Data Processing development and enhancement project management.
- Production job running, merging and printing, production output.
- Database administration.
- Local Area Network installation, maintenance and administration.
- Mainframe and Local Area Network application analysis and programming.
- Expert-level PC and LAN desktop troubleshooting support in coordination with local, first-level support.

Component Goals and Strategies

1) IMPROVE STAFF EFFECTIVENESS

- Continue replacement of retiring DP staff with trainees drawn from experienced program staff instead of making extended recruitment efforts for trained DP staff.

2) IMPROVE SYSTEM SECURITY

- Develop secure, consistent access for public systems.
- Ensure compliance with the federal Health Insurance Portability & Accountability Act (HIPAA) of 1996.
- Review and test business resumption (aka disaster recovery) plans.

3) ALIGN THE DEPARTMENTAL AND STATEWIDE IT PLANS.

- Plan for potential migration from mainframe computer to mid-sized system.

Key Component Issues for FY2003 – 2004

1) High priority statewide data processing challenges from outside the department may limit the Data Processing component's ability to meet program needs. This includes impacts from meeting new federal mandates, such as the Temporary Extended Unemployment Compensation program. These mandates can require immediate changes to computer and accounting systems resulting in a shifting of resources and delays or deferment of system development and maintenance. On the horizon are the UI Reforms legislation, and the Health Insurance Portability & Accountability Act of 1996 (HIPAA), and WIA reauthorization.

- 2) Security requirements increase as more public access systems and wireless systems are developed. In many cases, the infrastructure for implementing adequate system security does not yet exist.
- 3) Transitioning to newer technology is an increasing concern as the state reassesses the role of the mainframe and as electronic filing and payment options become main-stream.
- 4) Recruitment and retention of data processing staff continues to be a problem due to limited availability of trained applicants.

Major Component Accomplishments in 2002

- 1) Implemented a web-based Employer Contribution reporting system.
- 2) Completed the analysis phases and are well into the build phases on the new Unemployment Insurance Tax System.
- 3) Continued training of in-house program staff to replace departing DP staff.

Statutory and Regulatory Authority

Not applicable.

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Component Financial Summary

All dollars in thousands

	FY2002 Actuals	FY2003 Authorized	FY2004 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	3,349.3	3,567.4	3,580.7
72000 Travel	48.1	64.0	64.0
73000 Contractual	2,182.9	2,623.5	2,023.9
74000 Supplies	97.1	132.5	102.8
75000 Equipment	243.1	65.0	41.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	5,920.5	6,452.4	5,812.4
Funding Sources:			
1002 Federal Receipts	3,767.6	4,288.6	4,321.8
1004 General Fund Receipts	113.0	114.7	0.0
1007 Inter-Agency Receipts	2,025.5	2,049.1	1,490.6
1061 Capital Improvement Project Receipts	14.4	0.0	0.0
Funding Totals	5,920.5	6,452.4	5,812.4

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Proposed Changes in Levels of Service for FY2004

The decrement of \$114.7 removing all general funds from this component means that internal department services will be reduced. This includes: a college intern position (PCN 07-N123) will be deleted; DP staff training and related travel will be reduced; and budgeted PC replacement and desktop software upgrades within the DP unit will be curtailed as will planned upgrades to the programmer testing environments. These changes will not impact current systems but will slow development of new ones.

Summary of Component Budget Changes

From FY2003 Authorized to FY2004 Governor

All dollars in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2003 Authorized	114.7	4,288.6	2,049.1	6,452.4
Adjustments which will continue current level of service:				
-Annualize FY2003 COLA Increase for General Government and Supervisory Bargaining Units	0.0	33.2	23.6	56.8
-\$75 per Month Health Insurance Increase for Non-Covered Staff	0.0	0.0	0.2	0.2
-Transfer 1 PFT (PCN 21-3114) from Unemployment Insurance to Data Processing	0.0	79.4	0.0	79.4
-Transfer 1 PFT (PCN 07-5717) from Data Processing to Unemployment Insurance	0.0	-79.4	0.0	-79.4
Proposed budget decreases:				
-Delete Interagency Authorization to Align with Anticipated Expenditures	0.0	0.0	-582.3	-582.3
-Delete General Funds from Data Processing	-114.7	0.0	0.0	-114.7
FY2004 Governor	0.0	4,321.8	1,490.6	5,812.4

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Personal Services Information

	Authorized Positions		Personal Services Costs	
	<u>FY2003</u> <u>Authorized</u>	<u>FY2004</u> <u>Governor</u>		
Full-time	48	48	Annual Salaries	2,795,138
Part-time	1	0	Premium Pay	72,794
Nonpermanent	0	0	Annual Benefits	904,212
			<i>Less 5.07% Vacancy Factor</i>	(191,400)
			Lump Sum Premium Pay	0
Totals	49	48	Total Personal Services	3,580,744

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Administrative Manager I	0	0	1	0	1
Analyst/Programmer II	0	0	5	0	5
Analyst/Programmer III	0	0	1	0	1
Analyst/Programmer IV	0	0	8	0	8
Analyst/Programmer V	0	0	8	0	8
Data Communicatns Spec II	0	0	1	0	1
Data Processing Mgr I	1	0	1	0	2
Data Processing Mgr II	0	0	3	0	3
Data Processing Tech II	0	0	3	0	3
Database Specialist II	0	0	1	0	1
Database Specialist III	0	0	1	0	1
Micro/Network Spec I	2	0	2	0	4
Micro/Network Spec II	1	0	1	0	2
Micro/Network Tech II	3	0	4	0	7
Systems Programmer IV	0	0	1	0	1
Totals	7	0	41	0	48